CONCORD
European Confederation of NGOs working on sustainable development and international cooperation

AidWatch 2022 | 1 EURO IN EVERY 6 NOT GOING TOWARDS THOSE LEFT FURTHEST BEHIND

Official Development Assistance (ODA) is one of the most powerful tools to tackle inequalities - and 2021 should have been the year to double down on it to counter compounding global challenges. Instead, 1 euro in every 6 from EU and Member States' ODA budgets did not even go towards those left furthest behind, shows CONCORD's 18th AidWatch report.

Since 2005, AidWatch monitors the quantity and quality of EU ODA on an annual basis. AidWatch holds the EU accountable for its commitment to allocate at least 0.7% of Gross National Income (GNI) to ODA by 2030. In 2021, the EU's ODA was only 0.48% of its GNI - a slight decline in relative terms from 0.50% in 2020, but a colossal underachievement given the circumstances.

ODA was also more likely to not even reach where it is needed most. In 2021, inflated ODA - or ODA not contributing to the sustainable development agenda in partner countries or without any real donor effort - ballooned to 11.8 billion (EUR), breaking a declining trend of four years.

The rise of inflated aid is, regrettably, no surprise. Without clear guidance from the OECD DAC, donor countries - after hoarding 3.5 times more COVID-19 vaccines than needed to protect the EU's population - proceeded to report 'sharing' leftover doses as ODA, superficially boosting final numbers. "The crux of the issue is: Vaccines purchased with a 'me-first' approach and not based on a genuine effort to support global COVID-19 vaccination in partner countries should not be reported as such," says Réka Balogh, Policy Officer at HAND, the Hungarian Association for Development and Humanitarian Aid.

Current reporting standards risk inflating aid even further. For example, donor countries are already redirecting essential funds to respond to the influx of refugees following Russia's war on Ukraine. While it is fundamental to ensure the rights and needs of refugees, these funds must be new and additional. Reporting these costs as ODA without any of this money being spent in partner countries risks rendering donor countries' commitments as empty promises.

It's clear that there is a long way to go to ensure ODA reaches where it is needed most. Despite being well into the Decade of Action, or rather inaction, Least Developed Countries (LDCs) keep bearing the brunt of crises while donor countries keep failing to meet the 0.15-0.20% GNI on ODA to LDCs target. A mere 0.12% of EU Member State GNI went towards LDCs and only 3 of the 46 LDCs were amongst the top 10 recipients of EU ODA.

Global crises are only pushing the Sustainable Development Goals further away. This begs the question: Is 0.7% - the target established over half a century ago in 1970 - even enough? "The target has lost the level of ambition it had even a decade ago," says Lukas Goltermann, Policy Adviser at VENRO, the German Association of Development and Humanitarian Aid NGOs. "New global challenges have emerged that urgently need more robust action by rich countries. The 0.7% target should be the floor, not the ceiling." But, rather than scaling-up ambitions, donor countries risk backtracking on internationally agreed upon targets instead.

Without coherent action to support its partners, the EU's talk of going from 'payer to player' is nothing but hot air. If the EU is to truly leave no one behind - the hallowed principle of the 2030 Agenda for Sustainable Development - it's high time for much more and far better ODA.

Notes to editors

- **CONCORD:** CONCORD is the European Confederation of NGOs working on sustainable development and international cooperation, made up of 26 national associations, 25 international networks and 7 associate members that represent over 2.600 NGOs, supported by millions of citizens across Europe.
- **AidWatch reports:** Since 2005, CONCORD's annual AidWatch report monitors the quantity and quality of EU Official Development Assistance. It holds the EU accountable for their commitment to allocate 0.7% of Gross National Income (GNI) to ODA by 2030.